

Rockworth Public Company Limited
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2021

Independent Auditor's Report on Review of Interim Financial Information
To the Shareholders of Rockworth Public Company Limited

I have reviewed the accompanying statement of financial position in which the equity method is applied of Rockworth Public Company Limited as at 30 September 2021, the related statements of comprehensive income for the three-month and nine-month periods then ended and the related statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim financial statements. I have also reviewed the separate financial information in which the cost method is applied of Rockworth Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.



Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

EY Office Limited
Bangkok: 8 November 2021

Rockworth Public Company Limited
Statement of financial position
As at 30 September 2021

(Unit: Thousand Baht)

Note	Financial statements in which the equity method is applied		Separate financial statements in which the cost method is applied		
	30 September 2021	31 December 2020	30 September 2021	31 December 2020	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Assets					
Current assets					
	Cash and cash equivalents	26,863	59,344	26,863	59,344
3	Trade and other receivables	40,271	47,316	40,271	47,316
4	Inventories	141,018	104,058	141,018	104,058
5	Other current financial assets	89,591	89,236	89,591	89,236
	Other current assets	8,894	6,245	8,894	6,245
	Total current assets	306,637	306,199	306,637	306,199
Non-current assets					
15	Restricted bank deposits	22,035	20,205	22,035	20,205
	Other non-current financial assets	91	71	91	71
6	Investment in associate	-	-	-	-
7, 15	Investment properties	69,600	69,600	69,600	69,600
8, 15	Property, plant and equipment	249,432	266,841	249,432	266,841
9	Right-of-use assets	78,218	77,200	78,218	77,200
	Intangible assets	4,032	1,495	4,032	1,495
	Other non-current assets	14,944	9,600	14,944	9,600
	Total non-current assets	438,352	445,012	438,352	445,012
	Total assets	744,989	751,211	744,989	751,211

The accompanying notes are an integral part of the financial statements.

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ROCKWORTH

บริษัท ร็อกวอร์ธ จำกัด (มหาชน)
Rockworth Public Company Limited.


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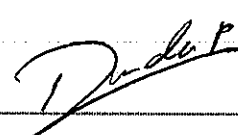
Rockworth Public Company Limited
Statement of financial position (continued)
As at 30 September 2021

(Unit: Thousand Baht)

	Financial statements		Separate financial statements		
	in which the equity method is applied		in which the cost method is applied		
	Note	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions		147,000	100,000	147,000	100,000
Trust receipts		10,153	2,709	10,153	2,709
Trade and other payables		55,524	41,430	55,524	41,430
Current portion of long-term loans	10	600	8,160	600	8,160
Current portion of lease liabilities	11	5,730	4,632	5,730	4,632
Advances received from customers		12,600	17,967	12,600	17,967
Other current liabilities		1,550	4,214	1,550	4,214
Total current liabilities		233,157	179,112	233,157	179,112
Non-current liabilities					
Lease liabilities, net of current portion	11	73,687	72,183	73,687	72,183
Provision for long-term employee benefits	12	72,413	72,169	72,413	72,169
Deferred tax liabilities		2,189	3,005	2,189	3,005
Total non-current liabilities		148,289	147,357	148,289	147,357
Total liabilities		381,446	326,469	381,446	326,469
Shareholders' equity					
Share capital					
Registered					
20,000,000 ordinary shares of Baht 10 each		200,000	200,000	200,000	200,000
Issued and fully paid					
20,000,000 ordinary shares of Baht 10 each		200,000	200,000	200,000	200,000
Retained earnings					
Appropriated - statutory reserve		13,650	13,650	13,650	13,650
Unappropriated		74,454	135,669	58,481	119,696
Other components of shareholders' equity		75,439	75,423	91,412	91,396
Total shareholders' equity		363,543	424,742	363,543	424,742
Total liabilities and shareholders' equity		744,989	751,211	744,989	751,211

The accompanying notes are an integral part of the financial statements.





Directors

ROCKWORTH
บริษัท ร็อกเวิร์ท จำกัด (มหาชน)
Rockworth Public Company Limited.

(Unaudited but reviewed)

Rockworth Public Company Limited
Statement of comprehensive income
For the three-month period ended 30 September 2021

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements in which the cost method is applied	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales and service income	16	80,350	98,034	80,350	98,034
Other income		1,164	2,119	1,164	2,119
Total revenues		81,514	100,153	81,514	100,153
Expenses					
Cost of sales and services		59,872	71,132	59,872	71,132
Selling and distribution expenses		17,146	17,950	17,146	17,950
Administrative expenses		22,018	21,241	22,018	21,241
Impairment loss on financial assets		885	2,078	885	2,078
Total expenses		99,921	112,401	99,921	112,401
Operating loss		(18,407)	(12,248)	(18,407)	(12,248)
Finance income		73	50	73	50
Finance cost		(2,437)	(2,631)	(2,437)	(2,631)
Loss before income tax		(20,771)	(14,829)	(20,771)	(14,829)
Income tax benefits	13	125	122	125	122
Loss for the period		(20,646)	(14,707)	(20,646)	(14,707)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income		(3)	1	(3)	1
Less: Income tax effect	13	1	-	1	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(2)	1	(2)	1
Other comprehensive income for the period		(2)	1	(2)	1
Total comprehensive income for the period		(20,648)	(14,706)	(20,648)	(14,706)
Basic loss per share					
Loss for the period	14	(1.03)	(0.74)	(1.03)	(0.74)

The accompanying notes are an integral part of the financial statements.



ROCKWORTH
บริษัท ร็อกเวิร์ท จำกัด (มหาชน)
Rockworth Public Company Limited.



(Unaudited but reviewed)

Rockworth Public Company Limited
Statement of comprehensive income
For the nine-month period ended 30 September 2021

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements in which the cost method is applied	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales and service income	16	243,096	395,051	243,096	395,051
Other income		5,705	6,180	5,705	6,180
Total revenues		248,801	401,231	248,801	401,231
Expenses					
Cost of sales and services		184,416	270,498	184,416	270,498
Selling and distribution expenses		50,867	61,477	50,867	61,477
Administrative expenses		65,908	73,239	65,908	73,239
Impairment loss on financial assets		2,933	11,009	2,933	11,009
Total expenses		304,124	416,223	304,124	416,223
Operating loss		(55,323)	(14,992)	(55,323)	(14,992)
Finance income		156	204	156	204
Finance cost		(6,868)	(8,949)	(6,868)	(8,949)
Loss before income tax		(62,035)	(23,737)	(62,035)	(23,737)
Income tax benefits (expenses)	13	820	(557)	820	(557)
Loss for the period		(61,215)	(24,294)	(61,215)	(24,294)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Gain on changes in value of equity investments designated at fair value through other comprehensive income		20	-	20	-
Less: Income tax effect	13	(4)	-	(4)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		16	-	16	-
Other comprehensive income for the period		16	-	16	-
Total comprehensive income for the period		(61,199)	(24,294)	(61,199)	(24,294)
Basic loss per share					
Loss for the period	14	(3.06)	(1.21)	(3.06)	(1.21)

The accompanying notes are an integral part of the financial statements.



ROCKWORTH
บริษัท ร็อกเวิร์ธ จำกัด (มหาชน)
Rockworth Public Company Limited.



Rockworth Public Company Limited

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2021

(Unaudited but reviewed)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied									
Other components of shareholders' equity									
Other comprehensive income									
Issued and paid-up share capital	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Fair value reserve	Surplus on revaluation of assets	Total other components of shareholders' equity	Total	Total other components of shareholders' equity	
	Appropriated - statutory reserve	Unappropriated						shareholders' equity	shareholders' equity
Balance as at 1 January 2020	200,000	13,650	166,097	(15,973)	2,165	91,493	77,685	457,432	
Total comprehensive income for the period	-	-	(24,294)	-	-	-	-	(24,294)	
Balance as at 30 September 2020	200,000	13,650	141,803	(15,973)	2,165	91,493	77,685	433,138	
Balance as at 1 January 2021	200,000	13,650	135,669	(15,973)	(97)	91,493	75,423	424,742	
Loss for the period	-	-	(61,215)	-	-	-	-	(61,215)	
Other comprehensive income for the period	-	-	-	-	16	-	16	16	
Total comprehensive income for the period	-	-	(61,215)	-	16	-	16	(61,199)	
Balance as at 30 September 2021	200,000	13,650	74,454	(15,973)	(81)	91,493	75,439	363,543	

The accompanying notes are an integral part of the financial statements.

ROCKWORTH

บริษัท ไรทวอร์ท จำกัด (มหาชน)
Rockworth Public Company Limited.

(Unaudited but reviewed)

Rockworth Public Company Limited

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

	Separate financial statements in which the cost method is applied						
	Issued and paid-up share capital	Retained earnings Appropriated - statutory reserve	Retained earnings Unappropriated	Fair value reserve	Surplus on revaluation of assets	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2020	200,000	13,650	150,124	2,165	91,493	93,658	457,432
Total comprehensive income for the period	-	-	(24,294)	-	-	-	(24,294)
Balance as at 30 September 2020	200,000	13,650	125,830	2,165	91,493	93,658	433,138
Balance as at 1 January 2021	200,000	13,650	119,696	(97)	91,493	91,396	424,742
Loss for the period	-	-	(61,215)	-	-	-	(61,215)
Other comprehensive income for the period	-	-	-	16	-	16	16
Total comprehensive income for the period	-	-	(61,215)	16	-	16	(61,199)
Balance as at 30 September 2021	200,000	13,650	58,481	(81)	91,493	91,412	363,543

The accompanying notes are an integral part of the financial statements.

ROCKWORTH
บริษัท ร็อกเวิร์ท จำกัด (มหาชน)
Rockworth Public Company Limited.

(Unaudited but reviewed)

Rockworth Public Company Limited

Cash flow statement

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

	Financial statements		Separate financial statements	
	in which the equity method is applied	in which the equity method is applied	in which the cost method is applied	in which the cost method is applied
	2021	2020	2021	2020
Cash flows from operating activities				
Loss before tax	(62,035)	(23,737)	(62,035)	(23,737)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Impairment loss on financial assets	2,933	11,010	2,933	11,010
Reduction of inventory cost to net realisable value	2,602	2,532	2,602	2,532
Depreciation and amortisation	25,047	26,655	25,047	26,655
Gain from disposal of equipment	(1,032)	(562)	(1,032)	(562)
Provision for long-term employee benefits	6,017	10,881	6,017	10,881
Gain on fair value adjustments of financial assets	(355)	(366)	(355)	(366)
Unrealised gain on exchange	(1,173)	(922)	(1,173)	(922)
Finance cost	6,503	6,410	6,503	6,410
Profit (loss) from operating activities before changes in operating assets and liabilities	(21,493)	31,901	(21,493)	31,901
Operating assets (increase) decrease				
Trade and other receivables	5,423	131,834	5,423	131,834
Inventories	(39,562)	37,783	(39,562)	37,783
Other current assets	(2,649)	548	(2,649)	548
Other non-current assets	(5,114)	(5,581)	(5,114)	(5,581)
Operating liabilities increase (decrease)				
Trade and other payables	12,310	(73,068)	12,310	(73,068)
Other current liabilities	(7,948)	(11,824)	(7,948)	(11,824)
Cash flows from (used in) operating activities	(59,033)	111,593	(59,033)	111,593
Cash paid for long-term employee benefits	(5,773)	(13,828)	(5,773)	(13,828)
Cash paid for interest expenses	(6,280)	(6,259)	(6,280)	(6,259)
Cash paid for income tax	(230)	(649)	(230)	(649)
Net cash flows from (used in) operating activities	(71,316)	90,857	(71,316)	90,857

The accompanying notes are an integral part of the financial statements.



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บริษัท ร็อกเวิร์ท จำกัด (มหาชน)
Rockworth Public Company Limited.



(Unaudited but reviewed)

Rockworth Public Company Limited

Cash flow statement (continued)

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

	Financial statements		Separate financial statements	
	in which the equity method is applied		in which the cost method is applied	
	2021	2020	2021	2020
Cash flows from investing activities				
Proceeds from sales of other current financial assets	-	15,000	-	15,000
Increase in restricted bank deposits	(1,830)	(3)	(1,830)	(3)
Acquisition of building improvement, equipment and intangible assets	(2,608)	(7,852)	(2,608)	(7,852)
Proceeds from disposal of equipment	1,216	532	1,216	532
Net cash flows from (used in) investing activities	(3,222)	7,677	(3,222)	7,677
Cash flows from financing activities				
Cash receipt from short-term loans from financial institutions	51,000	10,000	51,000	10,000
Repayment of short-term loans from financial institutions	(4,000)	(105,000)	(4,000)	(105,000)
Increase (decrease) in trust receipts	7,444	(22,569)	7,444	(22,569)
Payment of principal portion of lease liabilities	(4,827)	(7,317)	(4,827)	(7,317)
Repayment of long-term loans	(7,560)	(7,560)	(7,560)	(7,560)
Net cash flows from (used in) financing activities	42,057	(132,446)	42,057	(132,446)
Net decrease in cash and cash equivalents	(32,481)	(33,912)	(32,481)	(33,912)
Cash and cash equivalents at beginning of period	59,344	61,514	59,344	61,514
Cash and cash equivalents at end of period	26,863	27,602	26,863	27,602

Supplemental cash flows information

Non-cash transactions

Acquisition of building improvement and equipment and intangible assets which cash has not been paid	1,423	179	1,423	179
Assets acquired under lease agreements	7,429	6,050	7,429	6,050

The accompanying notes are an integral part of the financial statements.



ROCKWORTHบริษัท รัทเธอร์ส จำกัด (มหาชน)
Rockworth Public Company Limited.

Rockworth Public Company Limited

Notes to interim financial statements

For the three-month and nine-month period ended 30 September 2021

1. General information

1.1 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending, limited or suspended production, operational delays, and more.

This situation significantly affects the Company's business activities in terms of decrease in orders from customers, and this is impacting the Company's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to reasonably estimate.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.3 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.



The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

1.4 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

2. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month		For the nine-month		Transfer pricing policy
	periods ended 30 September		periods ended 30 September		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with associated company</u>					
Sales of goods	550	990	3,355	3,700	Market price
Other income	7	13	265	13	By mutual agreement
Purchases of goods	-	-	-	53	Market price
<u>Transactions with related companies</u>					
Rental income	344	445	1,255	1,444	Contract price
Purchases of equipment	-	-	120	-	Market price

ROCKWORTH

บริษัท รัชมงคล จำกัด (มหาชน)
Rockworth Public Company Limited

(Unaudited but reviewed)

As at 30 September 2021 and 31 December 2020, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
		(Audited)
<u>Trade and other receivables - related parties</u> (Note 3)		
Associated company		
Rockworth Systems Furniture (India) Private Limited	8,779	17,484
Related companies		
Coffee Properties Plus Company Limited	263	289
Copper Crown Company Limited	350	294
Crown Innovation Company Limited	153	146
Total	9,545	18,213
Less: Allowance for expected credit losses	(8,260)	(17,364)
Total trade and other receivables - related parties, net	1,285	849

During the current period, the Company has made a payment for an additional capital of investment in the associate (Rockworth Systems Furniture (India) Private Limited) by offsetting with trade receivable - associate amounting to Baht 11 million for which an allowance for expected credit losses had been fully set up as described in Note 6 to the interim financial statements.

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
		(Audited)
<u>Trade payables - related parties</u>		
Associated company		
Rockworth Systems Furniture (India) Private Limited	396	359
Total trade payables - related parties	396	359

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2021, the Company had employee benefit expenses payable to its directors and management totaling Baht 11 million and Baht 35 million, respectively (For the three-month and nine-month periods ended 30 September 2020: Baht 11 million and Baht 32 million, respectively).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related party as described in Note 17.3.2 to the interim financial statements.

3. Trade and other receivables

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
		(Audited)
<u>Trade receivables - related party</u>		
Aged on the basis of due dates		
Not yet due	5	129
Past due		
Up to 3 months	545	-
Over 12 months	3,201	12,906
Total	3,751	13,035
Less: Allowance for expected credit losses	(3,205)	(12,907)
Total trade receivables - related party, net	546	128
<u>Other receivables - related parties</u>		
Other receivables - related parties	5,794	5,179
Less: Allowance for expected credit losses	(5,055)	(4,458)
Total other receivables - related parties, net	739	721
Total trade and other receivables - related parties, net (Note 2)	1,285	849
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	20,153	29,080
Past due		
Up to 3 months	17,303	15,099
3 - 6 months	66	785
6 - 12 months	334	1,923
Over 12 months	1,920	3,356
Total	39,776	50,243
Less: Allowance for expected credit losses	(2,598)	(4,528)
Total trade receivables - unrelated parties, net	37,178	45,715
<u>Other receivables - unrelated parties</u>		
Accrued income	2,176	992
Less: Allowance for expected credit losses	(368)	(240)
Total other receivables - unrelated parties, net	1,808	752
Total trade and other receivables - net	40,271	47,316




4. Inventories

Movements in the reduce cost of inventories to net realisable value account during the nine-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2021	27,725
Reduction of inventory cost to realisable value during the period	2,602
Balance as at 30 September 2021	<u>30,327</u>

5. Other current financial assets

As at 30 September 2021, the Company had investment in units of fixed income open-end funds which are financial assets at fair value through profit or loss amounting to Baht 90 million.

6. Investment in associate

Details of associate:

			(Unit: Thousand Baht)					
			Financial statements in which the equity method is applied					
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020
			(%)	(%)				
Rockworth Systems Furniture (India) Private Limited	Manufacture and distribution of furniture	India	40	41	123,928	112,981	-	-
Total					<u>123,928</u>	<u>112,981</u>	<u>-</u>	<u>-</u>

			(Unit: Thousand Baht)							
			Separate financial statements in which the cost method is applied							
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
			30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020
			(%)	(%)						
Rockworth Systems Furniture (India) Private Limited	Manufacture and distribution of furniture	India	40	41	123,928	112,981	(123,928)	(112,981)	-	-
Total					<u>123,928</u>	<u>112,981</u>	<u>(123,928)</u>	<u>(112,981)</u>	<u>-</u>	<u>-</u>

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During the current period, the associate has increased its capital by 1.3 million shares, amounting to INR 65.0 million and the Company has additionally invested in 0.5 million shares, amounting to INR 24.6 million or approximately Baht 11 million in such associate. The payment of the Company for the investment was offset with trade receivable - associate for which an allowance for expected credit losses had been fully set up as described in Note 2 to the interim financial statements. As a result, cost of investment in such associate as at 30 September 2021 increased by Baht 11 million. Allowance for impairment of investment increased by Baht 11 million due to reversal of the allowance for expected credit losses.

As a result of this additional investment, the Company's shareholding percentage decreased from 41% to 40%.

7. Investment properties

Investment properties are land and building for rent. Its fair value has been determined based on the valuation performed by an accredited independent valuer, using the income approach. The key assumptions used in the valuation are vacancy rate, capitalisation rate, discount rate and rental rate.

8. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	266,841
Acquisitions during the period - at cost	1,157
Disposal during the period	(267)
Depreciation for the period	(18,299)
Net book value as at 30 September 2021	<u>249,432</u>

The Company arranged for an independent professional valuer to appraise the value of land in 2018. The basis of the revaluation was market comparison approach.

9. Right-of-use assets

Movements of the rights-of-use assets account during the nine-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	77,200
Addition	7,429
Depreciation for the period	(6,411)
Net book value as at 30 September 2021	<u>78,218</u>

10. Long-term loans

Movement of the long-term loan account during the nine-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2021	8,160
Less: Repayment	(7,560)
Balance as at 30 September 2021	<u>600</u>
Less: Current portion	(600)
Long-term loans, net of current portion	<u><u>-</u></u>

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

11. Lease liabilities

The carrying amounts of lease liabilities and the movement for the nine-month period ended 30 September 2021 are presented below.

	(Unit: Thousand Baht)
As at 1 January 2021	76,815
Addition	7,429
Accretion of interest	2,246
Payments	(7,073)
As at 30 September 2021	<u>79,417</u>
Less: current portion	(5,730)
Lease liabilities - net of current portion	<u><u>73,687</u></u>

12. Provision for long-term employee benefits

Movement of the provision for long-term employee benefits account during the nine-month period ended 30 September 2021 was as follows:

	(Unit: Thousand Baht)
Balance as at 1 January 2021	72,169
Current service cost for the period	5,175
Interest cost for the period	842
Benefits paid during the period	(5,773)
Balance as at 30 September 2021	<u><u>72,413</u></u>

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13. Income tax

Income tax for the three-month and nine-month periods ended 30 September 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month		For the nine-month	
	periods ended 30 September		periods ended 30 September	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	-	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	125	122	820	(557)
Income tax benefits (expenses) reported in the statements of comprehensive income	125	122	820	(557)

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	For the three-month		For the nine-month	
	periods ended 30 September		periods ended 30 September	
	2021	2020	2021	2020
Deferred tax relating to gain (loss) on changes in value of investment in equity instruments of listed company	(1)	-	4	-

14. Loss per share

Basic loss per share is calculated by dividing loss for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

15. Credit facilities

The Company has mortgaged/pledged the following assets with financial institutions to secure credit facilities and loans granted by those financial institutions.

- Cash at banks totaling Baht 22 million (31 December 2020: Baht 20 million)
- Investment properties
- Land with structures thereon, and most of machinery and equipment

In addition, the credit facilities and loans are guaranteed by the directors of the Company.

As at 30 September 2021, there was credit facilities of the Company that had yet to be drawn down of Baht 112 million (31 December 2020: Baht 188 million).

16. Segment information

The one main reportable operating segment of the Company is the manufacturing and distribution of furniture. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits or losses and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)			
	For the three-month		For the nine-month	
	periods ended 30 September	periods ended 30 September	periods ended 30 September	periods ended 30 September
	2021	2020	2021	2020
Revenues from external customers				
Thailand	76,048	93,788	232,878	375,483
Asia (excluded of Thailand)	4,302	4,246	10,218	19,568
Total	<u>80,350</u>	<u>98,034</u>	<u>243,096</u>	<u>395,051</u>

Major customers

During the three-month and nine-month periods ended 30 September 2021, the Company has revenue from 1 major customer in amount of Baht 17 million and Baht 24 million, respective (2020: None).

17. Commitments and contingent liabilities**17.1 Purchase of raw material commitments and capital commitments**

As at 30 September 2021, the Company had commitments in respect of purchase of raw materials approximately USD 0.4 million, Yuan Renminbi 1.5 million and Baht 5.5 million (31 December 2020: USD 0.1 million and Yuan Renminbi 0.5 million) and had capital commitments in respect of improvement of factory building and acquisition of machinery approximately EUR 0.2 million and Baht 1.2 million (31 December 2020: Baht 1.5 million).

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17.2 Service commitments

The Company has service agreements which the terms of the agreements are generally 1 year.

Future minimum payments required under these service contracts were as follows:

	(Unit: Million Baht)	
	<u>30 September 2021</u>	<u>31 December 2020</u>
Payable:		
In up to 1 year	1.5	0.7

17.3 Guarantees

17.3.1 As at 30 September 2021, there were outstanding bank guarantees of approximately Baht 14 million (31 December 2020: Baht 18 million) issued by banks on behalf of the Company in respect of electricity use and certain contractual performance guarantees as required in the normal course of its business.

17.3.2 As at 30 September 2021, the Company has guaranteed bank credit facilities of its associated company amounting to INR 228 million (31 December 2020: INR 228 million).

18. Financial Instruments

18.1 Foreign currency risk

The balances of financial assets and financial liabilities denominated in foreign currencies, which are unhedged, as at 30 September 2021 and 31 December 2020 are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per unit of foreign currency)	
US Dollar	0.2	0.6	0.3	0.2	33.9223	30.0371
Yuan Renminbi	-	-	1.1	0.2	5.2490	4.6187

18.2 Fair value of financial instruments

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

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18.3 Fair value hierarchy

The Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

As at 30 September 2021

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Debt instruments - Investment unit				
in open - end funds	-	89,591	-	89,591
Financial assets measured at FVOCI				
Equity instruments	91	-	-	91
Investment properties	-	-	69,600	69,600
Land	-	-	185,036	185,036

(Unit: Thousand Baht)

As at 31 December 2020

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Debt instruments - Investment unit				
in open - end funds	-	89,236	-	89,236
Financial assets measured at FVOCI				
Equity instruments	71	-	-	71
Investment properties	-	-	69,600	69,600
Land	-	-	185,036	185,036

During the current period, the Company has not changed the methods and assumptions used in estimating the fair value of financial instruments, and there were no transfers within the fair value hierarchy.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 November 2021.

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